whereas prior to the new policy, there were 345 plus medicines under the control list;

(b) whether it is also a fact that calling of profit margin has also been raised by 4 of the capital employed; and

(c) if so, what measures government contemplates to take to protect the interests of the poor people who are likely to be adversely affected as a result of these measures?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) No, Sir. Under the Drugs (Prices Control) Order, 1995 there are 76 bulk drugs under price control as against 142 bulk drugs under DPCO. 1987.

(b) and (c) No, Sir. The return the investment in case of bulk drugs in genral continues to be at the same rates of 14 per cent on Net worth and 22 per cent on capital employed as under earlier, DPCO'87. However, in caes of basic manufacture provis'on of additional 4 per cent has been made under DPCO' 95 in order to en-courage basic manufacture to reduce dependence on imports and to ensure availability to consumers.

Encouragement to indigenous Research and Development of Drugs

1717. SHRI GOPALSINH G. SOLANKI : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Governments have initiated any scheme to encourage indigenous Research and Development in the field of Drugs;

(b) if so, the details of the financial assistance given in this regard; and

(c) the names of bulk drugs exempted from price control?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (c). Government have evolved, from time to time fiscal incentives and support measures to encourage R&D in Pharmaceutical Industry. The Planning Commission has made an allocation of Rs. 10 crores during 1994-95 to promote drugs and pharmaceutical research. Recently, the Inter-Ministerial Group set up by the Department of Chemicals and Petrochemicals, in pursuance of the modified Drug Policy, has submitted its report to the Government. It has recommended that special package of fiscal incentives may be granted to encourage greater investment in Research and Development in this sctor.

The details of bulk drugs exempted from price control under the DPCO, 1987 is given, in the enclosed Statement (*See* below). Under the Modified Drug Policy, a new drug which has not been produced elsewhere, if developed through indigenous R&D would be exempt from price control for a period of 10 years from the date of commercial production in favour of the company who undertook the R&D.

Statement

Deatils of bulk drugs exempted from price control

S. No.	Name of the Product	Name of Company	Period upto which exemption granted	Date of Exemption
1	Ranitidine	M/s. Ranbaxy Labs.	30.09.93	16.06.89
2	Metoclopromide HC	M/s. IPCA Labs.	31.12.93	16.06.89
3	Dextropropoxyphene HC1	M/s. Wockhardt	25.04.90	16.06.89
4	Salbutamol and its formulations	M/s Cipla	31.08.93	9.10.90
5	Ephedrine and its formulations	M/s. Malladi Drugs	31.03.92	12.11.90
6	Ranitidine & its formulations	M/s. Globe Organics	31.03.93	12.11.90
7	Amoxycillin Sodium and its formulation	M/s. Duphar Inter fran	31.03.93	12.11.90
8	Metoclopramide	M/s Infar (I) Ltd.	31.01.94	04.02.91
9	Nalidixic Acid	M/s. Ranbaxy Labs	31.10.92	04.02.91
10	Naproxen	M/s. Rallis (I) Ltd	30.09.91	04.02.91
11	Theophyline	M/s. Pefco Industries	Dec. 1992	20.12.91
12	Betamethasone Disod Phosphate	M/s. Glaxo (I) Ltd.	21.12.94	28.02.92
13	Timolol Maleate	M/s. FDC Ltd.	24.02.96	05.02.93
14	Diclofenac Sod.	M/s. Unique Chemicals	30.10.95	11.04.94
15	Velapamil HC1	M/s. Associated Drugs	28.02.94	04.02.91
16	Povidonel odine	M/s Wockhardt	31.12.95	28.02.92
17	Glipizide	M/s. U.S. Vitamins	31.12.96	04.06.93